# How Maine Medical Center Leveraged Data to Drive Healthier Margins

Written by Angie Stewart, Becker's Healthcare | September 4, 2018

In the U.S., one healthcare issue that dominates headlines, surveys and reports is the exorbitant cost of care.

Many organizations haven't successfully lowered costs because they don't understand the true cost of care, which is critical to grasp in a value-based world. "What you don't know, you can't solve," according to Tushar Pandey, vice president of decision support for Strata Decision Technology. However, only 10 percent of U.S. healthcare systems have adopted advanced cost accounting tools to address this knowledge gap, according to Mr. Pandey.

"Data is probably the most valuable resource health systems and healthcare have today, but on the flip side, [data is] probably the most underutilized resource that exists in healthcare as well," said Mr. Pandey, during an Aug. 28 webinar sponsored by Strata Decision Technology and hosted by Becker's Hospital Review. "It's because there are too many silos that exist between data. [Clinical and financial data] need to talk to each other to have a meaningful impact in healthcare."

Stan Jakubowski, senior financial system support analyst with Portland-based Maine Medical Center, joined Mr. Pandey for the webinar. During the presentation, Mr. Jakubowski described how the 637-bed hospital leveraged Strata's decision support tools to deliver actionable data.

## Creating actionable dashboards and reports

Maine Medical Center was successful in leveraging data to understand costs because it had the right tools, mindset and skillset in place to drive action, Mr. Pandey said during the webinar.

After shopping around for analytics tools that could provide Mr. Jakubowski's team with insights into cost, revenue and statistical measures for Maine Medical Center's 12 service lines, Mr. Jakubowski selected the Strata Decision Support dashboard.

"I've found most systems are on this continuity somewhere: If they're really flexible and you can do anything you can dream of, you need a programmer's background to actually get it up and working, and it takes time to build it up from scratch," he said. "There's other systems that come as a box, really canned and nice … but you can't tweak them, you can't do everything that you imagine. But Strata's got a nice blend of these two things."

MMC applied parameter logic to Strata's standard reports to customize reports for various service lines, a process Mr. Jakubowski likened to building a house out of Legos. Strata can accommodate multiple service line definitions, he said.

With the help of clinical end-users, the decision support team first focused on defining nine service lines such as adult medicine, surgical services and neuroscience. The team later used Strata's executive dashboard feature to build dashboards for three location-based service lines: critical care, emergency department/urgent care and primary care.

The team set up templates and used the dashboard's global parameter feature to quickly replicate them across the first nine service lines. The dashboards display information in a tabular format alongside graphics.

The team then selected data points, including volume, average length of stay, case mix index, payer mix, contribution margin, net income and financials per case. Strata offers a huge advantage, Mr. Jakubowski said, by making it possible to pinpoint the exact cost for each visit and the contribution margin per case.

## Empowering end users to harness data

To take advantage of these capabilities, Mr. Jakubowski's team met with the service line leaders most interested in the reporting tool on a weekly basis. Those leaders used Strata reports to present data during monthly meetings, which

generated interest among other stakeholders. For instance, data highlighting differences between high-volume and low-volume service lines captured the attention of C-suite executives.

Through regular meetings with the decision support team, service line leaders became familiar with the reports, and Mr. Jakubowski's team developed a deeper understanding of the leaders' goals.

During the training process, MMC distinguished between basic users and super users. Whereas basic users received watered-down instructions, super users were extensively trained on understanding Strata data and how it's organized.

MMC's user-based approach differentiates it from other organizations, according to Mr. Pandey. Few organizations with similar tools put the data in decision-makers' hands.

"One of the things I like [that MMC is] doing … is this concept of empowering other users to be able to contribute to the cause," Mr. Pandey said. "As you're developing a big base of super users who can do their own data discovery and their own analytics, what that does is expand that power, empowers others to be able to create things like that for people they work for, or audiences they think are necessary."

In addition to teaching providers to use the tool, it's crucial to help clinical personnel develop financial understanding through strategies such as cost accounting bootcamps, Mr. Pandey said.

**Transforming data into action**

With staff thoroughly trained, MMC is using Strata decision support tools to determine if certain tests are overutilized or if scheduling tests earlier can improve the average length of stay. Previously, reports from Strata helped the hospital discover variations in implants used for single spine fusion procedures drove up costs. Team members were able to view what implant items neurosurgeons typically used and respond accordingly.

The data was key to validating the procurement department's efforts. From fiscal year 2017 to fiscal year 2018, MMC's procurement department made efforts to lower supply costs by standardizing implant prices or encouraging physicians to use more economical items. The efforts were successful — and Strata delivered the data to prove it.